NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (7-69) Paid Up With 640 Acres Pooling Provision **©POUND PRINTING COMPANY** 

P.O. Box 683046, Houston, Texas 77268-3046, (713) 552-9797

# OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this

29

day of Novemberz

, 2010 , between

SALLIE JO STONE, INDIVIDUALLY AND AS TRUSTEE FOR THE HOMER A. STONE TRUST

Lessor (whether one or more), whose address is:

617 SOUTH PARKRIDGE DR., MANSFIELD, TEXAS 76063

GRIFFITH LAND SERVICES, INC., TIMBERLINE RD., HOUSTON, TEXAS 77043 Lessee, WITNESSETH:

Lessee, WITNESSETH:

1. Lessor, in consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATIONS (\$10.00 & OVC)

Dollars, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of

TARRANT, AND ELLIS

Dollars,

State of TEXAS

TEXAS

TEXAS

And is described as follows: TARRANT, AND ELLIS

44 ACRES, MORE OR LESS, OUT OF WILLIAM CHILDRESS SURVEY, A-1949, TARRANT COUNTY AND WILLIAM CHILDRESS SURVEY, A-206, ELLIS COUNTY, TEXAS AS BEING DESCRIBED IN CERTAIN DEED FILED NOVEMBER 9, 1922, FROM A.J. STONE, ET UX TO E.R.HOLLAND, AS RECORDED IN VOL. 258, PAGE 181, DEED RECORDS OF **ELLIS COUNTY, TEXAS** 

#### SEE ATTACHED ADDENDUM FOR ADDITIONAL LEASE PROVISIONS

o covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain

44.00 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

THREE (3) 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of THREE (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

minety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal one-eighth part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-eighth of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time or times after the expiration of said ninety day period, Lessee shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time or times after the expiration of said ninety day period,

DIATIOY Le SSIM or its successors, which shall continue

Bank at DMTLEY TO LESEND.

On its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, Lessee may, in lieu of any other method of payment herein provided, pay or tenders such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect. Any payment here enuder may be made by check or draft of Lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair Lessee's right to release as provided in paragraph 55 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as a carcage owned by each.

Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, and interest in limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, and increase in the production of a well at a regular location, or for

which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. production as herein provided. As used in this paragraph 4, the words "separate tract" me amounts, from that as to any other part of the leased premises.

see may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any

production as herein provided. As used in his paragraph 4, the words "separate tract" mean any tract with royally ownership differing, now or hereafter, either as to parties or amounts, from that as to any pother part of the lessed premises.

5. Lessee may at any time and from time to lime execute and deliver to Lessor or file for record a release or releases of this lesse as to any part or all of said land or of any mineral or horizon thereunder, and thereby he relieved of all obligations, as in the released acreage or interest.

6. Whenever used in this lesse the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, despening, the production of the production of land and the production of the production

IN WITNESS WHEREOF, this instrument is executed on the date first above writte ton SALLIE JO STONE, INDIVIDUALLY AND AS TRUSTEE FOR THE HOMER A. STONE TRUST LESSOR LESSOR ACKNOWLEDGMENT STATE OF COUNTY OF This instrument was acknowledged before me on the 29 day of November 2 2010 by SALLIE JO STONE, INDIVIDUALLY AND AS TRUSTEE FOR THE HOMER A. STONE TRUST Public, State of Te 's name (printed): RONALD E. ZINT 's commission expires: **ISSION EXPIRES** 

ary 4, 2013

ACKNOWLEDGMENT

STATE OF COUNTY OF

This instrument was acknowledged before me on the

day of

, by

Notary Public, State of Texas Notary's name (printed): Notary's commission expires:

#### **ADDENDUM'S**

SPECIAL PROVISIONS: If the following provisions conflict with the attached Oil, Gas and Mineral Lease, then the following provisions will control:

# 12. PUGH CLAUSE

If at the end of the primary term, a portion, but not all, of the land covered by this lease, on a surface acreage basis, is not included within a pooled unit or pooled units in accordance with the other provisions contained herein, this lease shall terminate as to such part, or parts, of the land lying outside said unit or units, unless this lease is perpetuated as to such land outside said unit or units by operations conducted thereon or by the actual production of oil, gas or other minerals, or by such operations and such production in accordance with the provisions contained herein.

13. ROYALTIES: It is understood and agreed that wherever the fraction "one-eighth" appears in paragraph 3 hereof, they are hereby expressly amended and increased to "ONE-FIFTH( 1/5th )".

#### 14. HARD MINERAL CLAUSE

This lease covers only oil, gas, sulphur and other associated hydrocarbons which can be produced out of and from the bore of a well. Solid minerals, other than sulphur, such as iron, coal, sand, gravel, gold and clay are excluded from this lease.

## 15. SHUT IN

It is expressly agreed and provided, that this lease cannot be held, maintained, nor extended under and by virtue of the shut-in gas well provision of this lease for a longer term beyond the primary term than two (2) consecutive years immediately thereafter, or for shorter terms, following the expiration of the primary term, at various intervals, not to exceed in the aggregate three (3) years in total.

SIGNED FOR IDENTIFICATION:

Sallie Jo Stone, Individually and as Trustee of Homer A. Stone Trust

### SUZANNE HENDERSON

**COUNTY CLERK** 



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

**GRIFFITH LAND SERVICES INC** 11060 TIMBERLINE RD HOUSTON, TX 77043

Submitter: GRIFFITH LAND SERVICES INC

# **DO NOT DESTROY** WARNING - THIS IS PART OF THE OFFICIAL RECORD.

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Filed For Registration:

12/22/2010 12:41

PM

Instrument #:

D210315827

LSE

PGS

\$24.00

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D210315827

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: AKCHRISTIAN